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# AMERICA TO-DAY

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REPRINTED FROM

**The Daily Telegraph**

LONDON, ENGLAND

SEPTEMBER 9TH, 1901

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THE LEAGUE OF ASSOCIATED ENGINEERS  
NEW YORK, N. Y.

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September 27th, 1901.

*The League of Associated Engineers, after accomplishing the object for which it was formed, finds it still has a small balance of money in its treasury, and it has been thought well to use this to place in the hands of the subscribers to this fund, a copy of an article published in the London "Daily Telegraph" of Sept. 9th, 1901, which will interest American readers, particularly American Engineers.*

*It will be noted that the writer uses the English language with consummate skill and fearless vigor: for these reasons and its prospective historic value, it is worthy of a place in our libraries.*

*It is believed that a large majority of American readers will accept his conclusions, admiring his candor and courage.*

STEPHEN W. BALDWIN,

Chairman.



FROM  
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**AMERICA TO=DAY**  
**UNIVERSAL COMPETITOR. A CONTINENT'S**  
**COMING OF AGE. POLICY OF**  
**THE FUTURE**

It is at moments of dramatic accident and coincidence that national processes are apt to work suddenly to sight, as a blow in the dark might strike an electric button and switch on the full dazzle of the bulb. Whatever the issue to the life of the victim, whether happy or sinister, the attempted assassination of Mr. McKinley has taken place at an instant and under circumstances which must leave a deep mark upon the destinies of America, by influencing the temperament of the most impressionable and imaginative people in the world. We must not allow the crime to obscure what had happened immediately before. Upon the previous day the President, who is a most sonorous and powerful speaker, when warmed to a serious glow by the rising earnestness of his argument, had made what was recognized at once as the most remarkable speech of his life.

In the United States it was the most admired. For the remainder of the world it was incomparably the most significant. Had the outrage not occurred within twenty-four hours of its delivery the Press of every country would have been full of it. The occasion was the Pan-American Exhibition at Buffalo, in itself a moral assertion of the political and economic supremacy of "Republican Imperialism" over the double continent. The scene was an open stand, from which a vast audience was addressed by their Chief Citizen, with no ribbon, jewel, or epaulettes to indicate that he was one of the four greatest among the rulers of the earth. But what were the accents? Mr. McKinley announced that the "period of exclusiveness was passed"; that the prohibitive system, having served its purpose, must be laid aside; and that a policy of lower tariffs must be adopted to increase the competitive power of America.

It has long been the conviction of every far-sighted economist that the real force of transatlantic rivalry in trade would never be known until the United States had begun to remove the obstacles placed by high Protection in the way of exchange. Such a change will mean an increase in the volume of her commerce both ways, and the completion of her gigantic business apparatus by the revival of her shipping. Reciprocity is advocated, as exclusiveness was maintained, not upon grounds of principle, but upon those of expediency. It is a different method, admirably designed, to promote still more effectually the former purposes, and it means the real beginning of the struggle for that industrial, commercial, and financial primacy of the world which America seems marked out to attain. The logic of protection involves the rejection of foreign trade to preserve an internal monopoly. When supremacy in international commerce has become an object, the maintenance of exclusive

tariffs becomes injurious and absurd. It is like nothing so much as the process by which case-armour in the middle ages was increased in weight until it disqualified the combatant, so that churls and peasants came up with unknightly weapons when splendid signiors were once unhorsed, and hewed them to pieces like logs as they lay prone under their harness. In the Buffalo speech, Mr. McKinley practically declared what has previously been known as McKinleyism to be as obsolete as plate-armour. Unfettered and fully equipped America, under a lower tariff system, will be a more formidable antagonist than before, when she has shaken herself free of some defensive encumbrances and committed herself to the strategical offensive which for decisive purposes is no less indispensable in commerce than in war.

The President had long been known to entertain the views to which he committed himself at the Pan-American Exhibition with unexpected emphasis and finality. These opinions would, in any case, have commanded the support of the overwhelming majority of the American people. It is obvious that the crime, which has since occurred, can only add enormously to the influence of the orator at Buffalo, and must ensure the historical effect of that utterance. If Mr. McKinley had been mortally wounded, his words would have been regarded as a national legacy, and Mr. Roosevelt would have become their resolute executor. If the President should happily survive, his power to carry out his own views will be irresistible. He was already, in the opinion of many shrewd and unbiased judges, the most popular Chief Magistrate without exception who has ever occupied the White House. He has absolutely disclaimed all thought of a third term of office. He can act as the chief of the nation without regard to party caucuses or sectional interests.



His recovery from the outrage of which he has been the victim would invest him for the remainder of his term of office with a moral force against which no opposition in America could stand. Whichever way we look at it, it is clear that Mr. McKinley's Buffalo programme has been formulated under circumstances that makes its fulfilment inevitable within the easily measurable future. The United States, in a word, have fairly entered upon the new phase. They have passed through their experimental period and attained their majority. Their gristle has become bone. There can no longer be a tacit separation of hemispheres in our conceptions of politics and commerce. The terms "New World" and "Old World" have lost their traditional meaning. With the awakening of Japan, the transformation of Germany, and the less obvious, but not less real, revolution that is going on in this country under democratic influences, the Old World has become rejuvenated as the New World has become mature. The former fact is as important for America as is the other for ourselves. America, Britain, France, Germany, Russia—all the Greater Powers are henceforth World-Powers, and their interests are woven together in the mesh that envelopes the globe. All great conceptions in trade and politics henceforth must regard the round earth and the fullness thereof as a whole. This must become more and more the dominating twentieth century conception, never more distinctly formulated in effect, if not in intention, than by the speech in which Mr. McKinley declared upon the eve of his attempted assassination that "the period of exclusiveness is passed."

What we have to realise is that we have received the answer to an historic question. From the Declaration of Independence up to yesterday the imagination of the Old World was accustomed to ask itself what America might mean, without arriving



at any assurance of a definite reply. Opinions might be pessimistic or sanguine, but were always prophetic and problematical. The New World was regarded as a region apart, and the return of its influence with overwhelming force upon the destinies of the Old World, though the most momentous of all the contingencies, was practically never considered. We know at last, as a matter of actual experience not of vague speculation, what America is going to mean, and it is apparent that the real meaning is widely different from anything that was generally expected upon this side of the Atlantic. All Europe is now beginning to regard the United States with something like the same feeling of uneasy apprehension and vague disquiet which has been created in this country by the commercial pressure of Germany. This is a light in which the subject was not regarded beforehand. The rulers of the Continent looked upon the Republic as if it were something in a permanent state of political quarantine, fortunately prevented by isolation from disseminating democratic germs. Their peoples regarded America as a Promised Land in which men might escape for ever from all association with the life of Europe. In this country average opinion thought of the United States as the farmyard of the world, supplying an industrial island with foodstuffs and raw material, but as providentially distinguished from a manufacturing society like our own as is the country from the town. It was agreed that the latent resources of the United States were inexhaustible in variety and extent. The immense increase in the American population was the continual theme of interest and speculation. Everyone assumed that some destiny of a more or less vague, remote, and purely Transatlantic character must lie before the Republic. Sooner or later it was to mean either the unparalleled triumph or the colossal failure of democracy. The

pessimists pointed to Tammany, polyglot slums, the chaos of racial elements and mortgaged farms. The advocates of America looked from the White House to the wheat harvests, and from the Supreme Court to the spirit of national greatness that, in spite of all its unbridled vigour and vitality, had maintained a democratic society upon a basis of fundamental law, and had saved the Union in the bloodiest struggle ever waged to vindicate the integrity of a State. But, whatever view was taken, the American experiment in civilisation was regarded as if it could have no more direct influence upon the political and commercial fortunes of the Old World than the tests going on in a chemical laboratory can have upon the interests of the passers-by outside the windows.

There has been as complete a transformation of that philosophic attitude as would occur in the curious minds of the visitors to the Zoological Gardens if the animals suddenly showed signs of breaking loose from their cages. The alarmed perturbation excited by the Billion Dollar Trust has superseded the abstract speculation suggested by the pages of De Tocqueville. We are no longer engaged in wondering what America may mean for the Americans. We are sufficiently pre-occupied with fears of what it may mean for ourselves. In the prospects of the people of the United States, indeed, there appears at the present moment to be wonderfully little cause for immediate anxiety. They are citizens of a country which has attained the highest level of average prosperity that the world has ever seen. Their commercial strength is more invulnerable at home and more irresistible abroad than that of any other nation. They have greater opportunities and fewer burdens head for head than have Englishmen or Germans. No external enemy can ever break the mainsprings of their power or their trade. They have

indefinite room to multiply within their own frontiers, and increase of total population may go hand in hand for many years with enhancement of individual comfort. The heterogeneous medley of races does not appear in the governing elements of the nation. All the men at the top, no matter what may be their origin, strike the observer as being real Americans of the characteristic stamp; and when a mixed society has developed the power that this fact implies of absorbing all leading and directing personalities into an organic and controlling system, there need be no fear for the ultimate solidity of American civilisation. For internal purposes the outlook before the United States is brighter than the prospects in front of any other people. The average human lot upon the other side of the Atlantic is not radically different from the same thing on this side, as the philosophers once thought it was bound to be in one shape or another. It is not so much different as better. Where the United States is developing the difference is precisely in its return effect upon Europe as a whole, and for the purposes of the world in general the question of the nineteenth century: "What will America mean?" is answered at the commencement of the twentieth by all that is represented by the Billion Dollar Trust, the Republican-Imperialism associated with the career of Mr. McKinley, and the conviction reflected in his Buffalo speech that the mission of America is to achieve the trade supremacy of the world. It is in her tremendous equipment for this enterprise that America appears as a wholly unprecedented phenomenon in the history of commerce. England carried industrial and mercantile organisation to an incomparably higher stage of efficiency than any of her predecessors in commercial pre-eminence. Before the rise of British sea-power, colonisation, and manufacture, all mercantile power had been essentially a dis-

tributing rather than a producing agency. The Phœnicians, the Venetians, the Hanseatic League, the Dutch were middlemen ; the Spaniards, in their day of universal empire, were splendid parasites. The sea traffic of the latter was the long transport of a dazzling plunder. All the others were more or less brokers and carriers, playing a legitimate part in controlling the great trade routes and managing the business of exchange which could not have been carried on by any other process.

Our Mediterranean, Hanseatic, and Dutch predecessors kept the warehouses of the world before us. England gave the first example of commercial supremacy dependent not merely upon distributing agency, but upon an immense internal producing power, and became both the great warehouse and the great workshop of the world. Our coal and iron, our insular security and ideal facilities for both manufacture and shipment, gave us the same overwhelming advantage by comparison with the rest of the world that America now possesses over all rivals, including ourselves. But America has all the resources required for enabling her to excel our own example, previously unique, of the establishment of commercial predominance upon producing power rather than upon distributive functions. Our monopoly depended not upon any really essential and permanent singularity in our intrinsic advantages, but upon the fact that we had brought our production to a high pitch of development long before others were enabled to make use of resources not dissimilar in kind from our own, though, for the most part, inferior in degree. Our whole position was determined from the first, as it still is, by the external attribute of sea power. Without that we should have lacked, from the outset, the raw material for our textile trades, and modern Lancashire would never have come into existence. To lose it now would mean the stopping of our



mills and the starving of our people. But America depends upon no external attribute, not even upon the magnificent assistance of sea-power. For the first time, the bid for commercial supremacy is made by a semi-continent which is more completely self-contained in an economic sense than any society ever before seen. At our present stage we are compelled to import our food, our ore, our raw cotton. To be cut off from our sources of supply in these respects would mean ruin. But while America can become far richer and more powerful with a great foreign trade than without it, and, therefore, concentrates her whole ambition upon obtaining it, foreign trade is not, and never can be, the matter of life and death to her that it is to us. She can dispense with the world in case of absolute need. She is the greatest producer of food and raw material, as well as the possessor of the most efficient manufacturing apparatus, the most consummate organising ability, the most numerous and energetic population, among all commercial States. Her political security is even more complete than ours ever was. There is not a single factor of economic activity in which she may not reasonably expect to excel any rival.

Russian or Chinese emulation are possibilities, but of the twenty-first century, not of the twentieth. In the meantime this little island, for all the intensity of life within it, is, after all, by comparison, but a territorial speck upon the wide face of the earth. Germany has a poor soil, one of the poorest seaboard in the world, a dangerous strategical position, an immature political development. Her intrinsic material resources, taken all in all, are less than ours, and she neither has now, nor ever can have, the control of the sea, which has made us secure of all the external supplies we required. This is the point at which we realise the portentous character of the American position. The

United States is the only nation which has ever comprised within the frontiers of one compact, uninterrupted territory all the material and moral elements of commercial supremacy. America became, in the first place, the principal agricultural country—the granary of the globe. In this respect no single State could hope to compete with her. With the next step she obtained the lead in iron and a vast superiority in the make of steel. These are the key-industries of all modern productions, and with respect to them America is as completely beyond rivalry by any one competitor as in the growth of wheat. What will be the next step? That is not hard to forecast. The United States will manufacture more and more of its own raw cotton, and at the present rate at which mills are being established, especially in the cotton-growing South itself, the lead must be taken by the Republic in textiles as certainly as in corn and metals. The sphere of shipbuilding will remain as the final world to conquer. “We have an inadequate steamship service,” declared President McKinley at Buffalo. “There should be direct lines from the eastern coast of the United States to South America. One of the needs of the time is direct commercial lines to fields of consumption we have barely touched. We must encourage our merchant marine. We must have more ships under the American flag, built, manned, and owned by Americans.” This energetic pronouncement points to the enterprise upon which America means to concentrate her effort. There is no intrinsic reason why the secret of success should fail her at this point. The United States can of course build ships, apart from the element of cost, as well as we can. At no very distant date it will build them as cheaply. The Subsidies Bill, which is the main item in the Buffalo programme, next to reciprocity treaties, will do the rest. England will probably retain her ascendancy in shipbuilding and ocean



transport even longer than in textiles, though tolerably certain to offer a more tenacious and efficient resistance even in the latter respect than the sanguine majority in America expects. But, when the challenge to our mercantile supremacy takes a really serious form, it will come from America, and cannot come from any other quarter. The industrial power of the United States, let us repeat it, depends upon a capacity for universal and unlimited production within a self-contained area. This is the unexampled prodigy in the records of the world's commerce, and this rather than anything anticipated by the philosophers of politics and the speculators upon the internal prospects of Republican democracy is the distinctive and formidable meaning which modern America has revealed.

Upon a closer analysis of primary impressions it is more than questionable whether the average Briton has even yet any sure and vivid conception of the overwhelming character of America's natural resources as compared with any European scale. The Republic is thirty times as large as our own island. Every factor in her industrial greatness is on the giant measure either of performance or potentiality. She has two long fronts upon the two main oceans. Her navigable waterways are more wonderful than those of Siberia or Brazil, for they do not flow towards ice like the one or through the dense tropics like the other. Nor is there anything in the Tsar's Asiatic dominion to compare with the St. Lawrence and the great lakes leading ocean traffic for two thousand miles into the heart of a continent. Her harvests are a sea of golden grain, stretching over many times the entire area of the British Islands. The American farmer has marketed, at nearly forty cents a bushel in recent seasons, corn which it cost him fifteen cents to produce. The United States raises nearly two-thirds of the raw cotton of the world. Sugar

is raised from the cane in the south, from the beet in the far west, from sorghum in the centre, from the maple in New England. California is opulent with orchards. The immense mineral deposits of America are still won in great part near the surface, not by deep shafts, long drifts, and the expensive workings of older mining countries like our own. The coal area of the United States is far wider than that of all Europe put together, and is only equalled by the vast seams of China. "If a man have better iron than you," said the sage, "he shall have all your gold." But America is now first both in gold and iron, and produces all the metals but tin. Her huge petroleum output hardly comes behind that of Russia. Her herds of horses, cattle, sheep, pigs, are such as the pastoral imagination of the more primitive world might have seen in dreams. Her waters swarm with fish. And while there are already seventy-six million inhabitants in America there is still sixteen times as much space to every soul as in this crowded island, and twelve times as much as in Germany.

But limited as are by comparison our means for the maintenance of our commercial supremacy, we are notoriously more wasteful of them than either of our chief rivals. The significance of the American industrial method lies precisely in the scrupulous economy with which she exploits her unparalleled abundance of material. Brains, capital, and labor have been described by Mr. Carnegie as the co-equal supports of the industrial three-legged stool. The small investor and the isolated employer are as typical of English economic organisation as are the multi-millionaire and mammoth trusts of American. As regards ability and driving power, no one is afraid of youth across the Atlantic, and everyone is open to ideas. Mr. Carnegie himself set the example of that vigilant search for brains, without which

the trust system could not be carried on. Boldness and fertility of mind are valued as the vital gifts, and the merely safe qualities of the British business ideal are of small account. Nothing astonishes English observers visiting America for the first time at a late period of life, than to observe the youth of the men who are found on every side in positions of grave responsibility, at an age when, according to insular traditions, they should just be shedding their commercial long-clothes. Energy, energy, energy, more strenuous and sustained than anything to which the old world is accustomed—that is the mark of each factor in Mr. Carnegie's triple alliance—of brains, capital, and labor alike. There is something in American air which imparts the unmistakable quickening quality to the British emigrant when he becomes domiciled across the Atlantic. The change of climate and the mixture of blood have combined to make laborers in the United States more active in body and mind than the workers of any other nation.

It will be enough to quote two remarkable instances of the methods by which a vigorous circulation of intelligence is maintained as the very life current of American industry. Several years ago M. Paul Bourget noticed, in his admirable book, the frequency with which men who were still among the rank and file of labour in large American establishments had been pointed out to him as the originators of ingenious appliances in the works to which they belonged. In this connection it is surprising that attention is rarely, if ever, drawn, on this side of the Atlantic, to the system of workmen's prizes adopted by many great Transatlantic companies. Prizes are regularly offered for all proposals made by the employes for the improvement or simplification of processes. A special letter-box is put up to act as the lion's mouth of the factory. Into it may be

dropped any expression of opinion, sketch of a mechanical device, or what not. The communications are unsigned by the authors, but are distinguished by a private mark. At regular intervals the contents of this receptacle are cleared out and thoroughly examined by a committee representing all the departments. When the selection of useful suggestions is made and the rewards allotted, the names of the successful competitors are published and brought to the knowledge of their comrades throughout the establishment. It seems to be conceded that this method has brought many practical ideas into use, and it would be hard to quote a more characteristic instance of the American spirit. Every private in the industrial army of the United States may be said to carry his marshal's baton in his knapsack. "I think," says Mr. Schwab, "that there never was a greater opportunity for any man, workingman or manager, who has to use his brains than to-day. Never has there been such a scarcity of the special men that great manufacturing concerns and capitalists desire."

The process of searching out ability and sifting out ideas goes on from top to bottom. The well-known "lunch conferences" play the part among the works managers and departmental heads of some of the great firms in the Steel Trust that the lion's mouth does among the workmen elsewhere. The "lunch conferences" were started by the Carnegie Company, and have been found worthy of imitation. The assembly takes place on a fixed date every month under the chairmanship of the president of the company, and the lunch is of a character to draw out all that is best in human nature. While the famous dinner with which Lord Rosebery settled the coal strike was a masterly episode, the lunch conferences are a regular institution, upon the same invaluable principle. The debate is opened over



the coffee and liqueurs, when every point of interest arising in connection with the previous month's business is canvassed in the genial and merciless system of mutual cross-examination. Directing vigour, restless inventiveness are the qualities to which, next to the wealth of her natural resources, America owes her industrial progress.

NOTE—As to why conditions are as stated: The subscriber personally believes that one of the most potent causes is that the founders of our government had the wisdom and courage to declare that "all men are born free and equal" (before the law), thus obliterating class distinction, removing the barriers that under European conditions militate against progress, securing to Americans a freedom of thought and action, and stimulating and encouraging the individual to energetic and hopeful work to better his condition, however humble may be his beginnings.

STEPHEN W. BALDWIN.

The Hon. Carroll Wright, the United States Commissioner of Labour, points out that, just as America makes the most economical use of the largest resources, she multiplies the productive power of her population by the employment of machine industry in a higher ratio than countries like England and Germany, already handicapped by their inferiority in the number of their manual workers. Where a thousand paper bags could be made by hand in six hours and a half, they are now made by the machine in forty minutes. It took 4,800 hours to rule on both sides ten reams of paper; with the tool one man can do it all in two and a half hours. Another invention shells corn a hundred times as fast as by hand. The mechanical mower gets through seven times as much grass in the same time as the man with the scythe. "An ordinary farm hand in the United States," pursues Mr. Wright, "raises as much grain as three in England, four in France, five in Germany, or six in Austria, which shows what an enormous waste of labour occurs in Europe, largely because the farmers are not possessed of the mechanical appliances used in the United States." This subject

is, perhaps, so familiar that it is unnecessary to pile fact upon fact with regard to it. If we pick up the report from our Consul at Philadelphia, published the other day, we find notice of such novel devices as a new refrigerator for enabling every householder to make his ice on his own premises ; of the telephone call-meter, which keeps an automatic register of all calls made, so that both subscriber and company always know how they stand, and can rely upon the accuracy of the record; while another device in the list of novelties enables wafer biscuits to be turned out at one-third greater speed than before ; and we are also told that the automatic stoker is rapidly superseding the fireman. "Wherever machinery can be made to do man's work," said a recent Transatlantic expert, "the instinct of the American is to devise some means to bring the substitution about." It is equally the instinct of the American to replace a machine, no matter how expensive, how efficient, or how new, by a better as soon as a better is produced. The best of yesterday goes to the scrap heap if it is the second-rate of to-day.

It is obvious that the trust system, with its minute specialisation, massed output, and continuous running, is the natural and necessary result of such conditions as these. Trusts are superseding isolated establishments as inevitably as the modern factory displaced cottage handicraft. If economy of production were not the fundamental effect of the great combinations they could not survive. A vast quantity of angry rhetoric expended upon the subject of trusts recalls Cardinal Newman's phrase about "reckless assertion based on groundless assumption." Those who accuse trusts of oppressing labour and inflating prices can never have compared their ideas with the facts. The wages paid by the consolidations are on the whole upon the highest scale of remuneration current in America. The trusts may



have held up prices which would otherwise have fallen, but that they have absolutely increased prices in consequence of their formation and apart from the course of the market is untrue. Whatever evil may result from the trust system in the sense of swelling the profits of billionaires at the cost of the community, is the fault not of the capitalists, but of the people, and is the result of the prohibitive tariffs which protect the internal combinations from external competition. A better illustration of the fact that the law of economy is the main factor in the development of the trusts has perhaps never been given than that which may be quoted in the words of Mr. Charles M. Schwab, the President of the United States Steel Corporation itself: "The Metropolitan Street Railway Company of New York City acquired eighteen distinct lines, each supporting a full complement of officers. The lines were consolidated, the officers wiped out. Mr. H. H. Vreeland was made president of the combined system. He performs all the duties that formerly fell to the eighteen separate presidents, and being a high-grade specialist performs them very much better. The improved street-car service of the metropolis bears eloquent testimony to this. Eighteen vice-presidents and secretaries and treasurers have given place to one official of the same rank under the combination, and so the process has been carried out all along the line."

The significance of the Billion Dollar Trust lies in the fact that it is a combination of combinations, and carries the system of industrial coalition almost to the extreme point short of an absolutely Continental monopoly of the fundamental industries of modern manufacture. The results of the formidable methods that some endeavour has been made to analyse have been a topic for the exultation of America and the despondency of Europe during the last twelve months, and in one sense

are too familiar for elaborate recapitulation. We know that America has taken the place held by ourselves for a century and a half, and has become the greatest exporting nation. From 1879 to 1895 the outward trade of the United States showed practically no expansive force. In the latter year it commenced one of the most astonishing movements in the records of commerce. American exports increased in the period 1895-1900 from \$793,000,000 to \$1,370,000,000, or from £165,000,000 to £295,000,000. This means an increase of almost 80 per cent., and represents a balance of exports over imports as unparalleled as our surplus of imports over exports. Many Transatlantic enthusiasts, embracing the crudest of economic fallacies, have jumped from these facts to the conclusion that America has been rapidly approaching financial, while achieving productive supremacy. Here, of course, we are in a world of inference and theory where no adequate data exist for a certain judgment. But everything suggests that America has been accumulating capital far more rapidly than any other country. For the first time in the history of the United States the loans of foreign Governments have been taken up upon the New York market. England, Germany, Russia have borrowed American money within the last couple of years. A large amount of European capital has been withdrawn from the United States. The latter have bought back their own securities. Upon these points, unfortunately, our information has none of the sweet simplicity of Board of Trade returns. But in a period of universal prosperity in trade America has shared to a larger degree than ever before in the general good fortune, and there can be no doubt that she has struck the path towards financial supremacy, whatever distance may be shown to separate her at present from that goal. The McKinley tariff and the free silver craze

seem already to belong to another age. America, in a word, has passed through her growing time. She is entering upon her strength. We cannot peer into the book of the future, and the prospects of the Republic are not wholly divested from doubt. That trade unionism of a powerful and determined type will be an inevitable development across the Atlantic most observers are convinced, and if labour is repeatedly worsted by the giant trusts, as will probably be the case, the result would be to transfer the battle to the ballot-box, and to make Socialism the supreme issue in American life. ✓

The greatest danger of trusts upon the Continental scale is that they are only a step removed from State monopoly. But these are long views, and in Anglo-Saxon countries nothing is ever pushed to its logical conclusion. For purposes of the practicable future the troubles of America, whether in industry or politics, are unlikely to be worse than those with which her competitors in the Old World are afflicted, while her enormous natural advantages will remain her own. The main points, then, in Mr. McKinley's Buffalo programme are reciprocal tariffs, the inter-ocean canal and the revival of the American mercantile marine at a cost in subsidies estimated to be at least \$9,000,- ✓  
000 annually. That all three proposals will be executed is as certain as anything need be. The "Morganeering" of the Leyland line was an unmistakable index fact. The American business mind thinks in terms of continents, and is capable not only of tactics but of strategy. It is the period of commercial strategy, as Germany has been quick to realise, that is about to begin. The fight of the future will be for the control of complete lines of traffic round the globe. America's internal distributing system is already incomparably the most efficient in existence. |  
For purposes of foreign trade she does not possess



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a distributing system of her own. This is a want that only the revival of her merchant navy can supply, and when her steamship lines are added to her railways the greatest productive force the world has ever seen will tend to supplement itself by the most extensive distributing agency. This will form, sooner or later, a commercial problem compared with which every other that may confront us will sink into insignificance. There will be time to face it as it develops. Meanwhile the certainty that European convulsions would transfer European trade to the United States promises to be the greatest of all guarantees of international peace. So far as we are concerned, on the other hand, the marvellous progress of America in her growing time has not involved the faintest injury to British trade or prevented us from enjoying the fullest measure of prosperity we have experienced. Our exports to the universal producer have shown a more marked recovery than those of Germany, and under the reciprocal system we should be the first to benefit. If the laws of Nature forbid us to hope that we can retard that extension of productive pre-eminence which America has already won, she will continue to supply us with the food and raw material which will enable us to sustain the economic struggle with the remainder of the world as long as there is need to count.